

*Letter Delivered As ExxonMobil Reports Skyrocketing Profits*

Washington, DC – Today, Rep. Earl Blumenauer (OR-03), a member of the House Budget and Ways and Means Committees, was joined by 28 House Democratic colleagues in sending [a letter to Speaker John Boehner](#)

**[PDF]**

urging him to allow an up-or-down vote on the repeal of nearly \$8 billion a year in wasteful subsidies for the nation's largest oil companies. The letter comes as oil majors report skyrocketing quarterly profits, including a spike of nearly 70 percent for ExxonMobil today.

"Today we learned that ExxonMobil saw its profits soar nearly 70 percent while Americans are getting clobbered at the pump," said Blumenauer. "It is unconscionable that we are cutting government services left and right while continuing billions in giveaways to giant oil companies. Now is the time for Republicans to respect the will of the people and hold an up-or-down vote on repealing these wasteful subsidies."

Blumenauer has introduced a bill, [H.R. 601](#), to end nearly \$8 billion a year in taxpayer subsidies to the largest oil companies. All members signed onto the letter are cosponsors of this legislation.

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April 28, 2011

John A. Boehner  
Speaker of the House  
H-232 Capitol  
Washington, DC 20515

Dear Speaker Boehner,

We write to acknowledge your statement earlier this week that you were open to eliminating

unnecessary tax subsidies for the oil and gas industry. We agree with you that, especially in an era of high gas prices and high profits, the big oil companies don't need all of the generous subsidies that taxpayers currently provide.

Enclosed is a copy of legislation that we have introduced, H.R. 601, which would eliminate the depletion allowance tax subsidy along with a number of other tax breaks enjoyed by the big oil companies. Importantly, our legislation reserves these subsidies for small independent producers. It would save roughly \$40 billion over the next 5 years.

President Obama has written to Congress urging us to pass legislation to eliminate unwarranted tax breaks for the oil companies. This position is shared by a majority of the Democratic Caucus, as evidenced by the vote on the Motion to Recommit on H.J. Res. 44 (Roll Call 153), and by 74 percent of the American public according to recent opinion polls.

You may hear concern from some in your caucus that closing tax loopholes for the oil companies will raise gas prices. As you know, this is not the case. The Joint Economic Committee and other experts have determined that closing tax loopholes for the big oil companies will not increase consumer energy prices. Since the price of oil is set on the world market, the subsidies we provide in this country only do one thing: increase oil company profits.

Oil prices are sufficiently high for companies to explore and drill without incentives. In the words of former President George W. Bush, "I will tell you with \$55 oil we don't need incentives to oil and gas companies to explore." Today prices are double that amount, making tax incentives even less necessary.

As Exxon Mobil, BP and other big oil companies announce record profits in the coming days, we urge you to schedule an up-or-down vote on the House Floor providing members with the opportunity to vote to repeal some of the most egregious tax subsidies. With gas prices on the rise, we would welcome the opportunity to show our constituents that Congress is ready to stop wastefully subsidizing some of the most profitable businesses in the world and instead use that money to reduce the deficit and invest in real relief from high gas prices.

Sincerely,

Earl Blumenauer

Ed Markey

Lois Capps

Barney Frank

Pete Stark

John Conyers

Louise Slaughter

Barbara Lee

Keith Ellison

Chris Van Hollen

Rush Holt

Betty McCollum

David Cicilline

Jan Schakowsky

Betty Sutton

Peter Welch

John Tierney

Eleanor Holmes Norton

Maurice Hinchey

Steve Cohen

Anna Eshoo

Lynn Woolsey

John Olver

Jim Moran

George Miller

Jared Polis

Gerry Connolly

Jim McDermott

David Price